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New Mexico Agricultural
Statistics Service

Weekly Ag Update

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INCLUDED IN THIS ISSUE

Crop Weather Agricultural Prices Received ERS

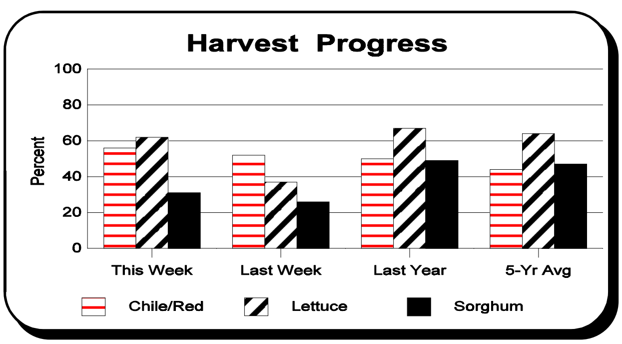
2001 Agricultural Statistics Bulletin now at: www.nass.usda.gov/nm

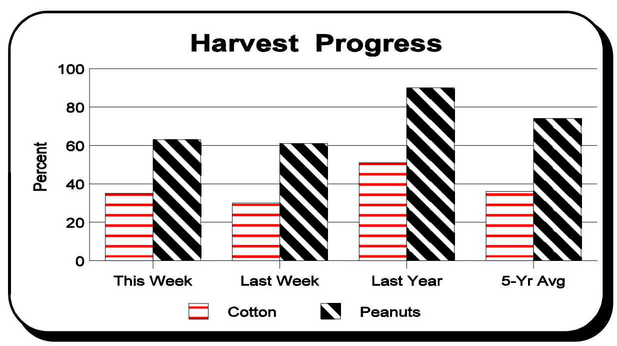
CROP SUMMARY FOR THE WEEK ENDING NOVEMBER 3, 2002

NEW MEXICO: There were 4.0 days suitable for field work. Freeze damage was 21% light, 6% moderate, and 4% severe. Farmers spent the week waiting for dry weather so harvest could continue. Cotton is in mostly fair to excellent condition with 35% harvested. Irrigated sorghum is in fair to good condition and 42% harvested. Dryland sorghum remains in very poor to fair condition with 24% of the crop harvested. Corn harvested for grain is almost finished at 95%. The fall onion planting is also almost complete at 98%. Peanuts are suffering from the constant rainfall in the eastern part of the state, with only 63% of the crop harvested and reports of rotting and sprouting. Lettuce is 62% harvested and the red chile harvest is 56% complete. Alfalfa is listed as 7% very poor, 14% poor, 50% fair, 24% good, and 5% excellent. The 6th cutting is 95% complete and the 7th is 80% complete. There are reports of severely rain damaged cut hay. Ranchers spent the week maintaining herds and tanks. Culling and supplemental feeding continue. Cattle declined, with conditions listed as 9% very poor, 21% poor, 35% fair, 34% good, and 1% excellent. Sheep conditions improved slightly and are reported as 11% very poor, 32% poor, 28% fair, 25% good, and 4% excellent. Range and pasture conditions are listed as 26% very poor, 44% poor, 26% fair, and 4% good.

CROP PROGRESS PERCENTAGES WITH COMPARISONS

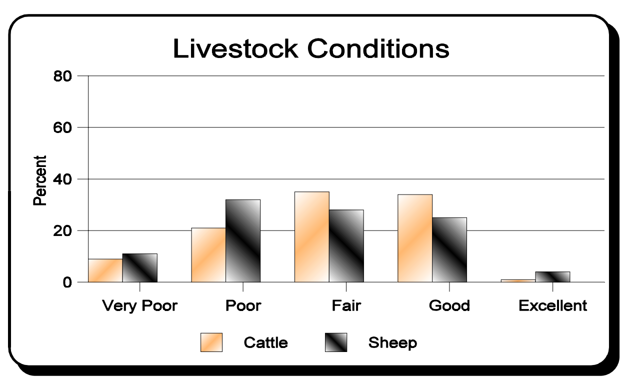
CROP PROGRESS		This Week	Last Week	Last Year	5-Year Average
CHILE	Harvested-Red	56	52	50	44
COTTON	Harvested	35	30	51	36
LETTUCE	Harvested	62	37	67	64
ONIONS	Planted	98	88	94	93
PEANUTS	Harvested	63	61	90	74
SORGHUM	Harvested	31	26	49	47





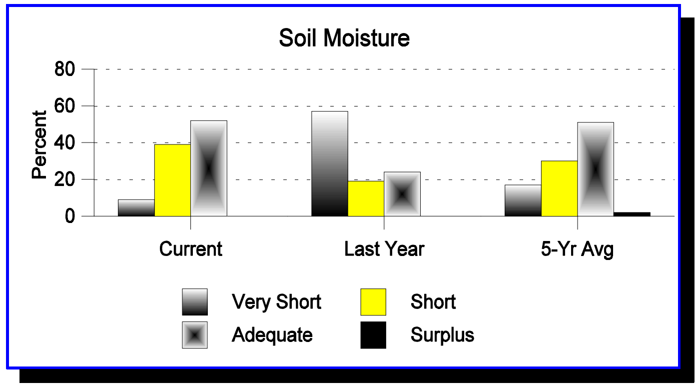
CROP AND LIVESTOCK CONDITION PERCENTAGES

	Very Poor	Poor	Fair	Good	Excellent
Alfalfa	7	14	50	24	5
Cotton	5	3	41	40	11
Lettuce	–	–	5	25	70
Onions	–	–	12	53	35
Pecans	–	–	30	32	38
Sorghum (All)	22	20	42	16	--
Wheat (All)	1	8	21	68	2
Cattle	9	21	35	34	1
Sheep	11	32	28	25	4



SOIL MOISTURE PERCENTAGES

	Very Short	Short	Adequate	Surplus
Northwest	24	21	55	--
Northeast	6	35	59	--
Southwest	5	63	32	--
Southeast	8	40	52	--
State	9	39	52	--
State-Last Year	57	19	24	--
State-5-Yr Avg.	17	30	51	2



WEATHER SUMMARY

A slow moving storm system crossed the state early in the week bringing precipitation to much of the state on Monday and Tuesday. A cold front pushed through the eastern plains on Wednesday with reinforcements at the end of the week. Much of the eastern half of the state was dominated by cool air with low clouds and drizzle through the latter half of the work week. Some clearing occurred on Saturday, but another front pushed through on Sunday. Temperatures were well below normal in the northeast and east and within a few degrees of normal across the rest of the state. All areas except the southwest reported precipitation with Farmington, Chama, Raton and Gran Quivira all receiving near half an inch.

NEW MEXICO WEATHER CONDITIONS OCTOBER 28 - NOVEMBER 3, 2002

Station	Temperature			Precipitation				
	Mean	Maximum	Minimum	10/28 11/03	11/01 11/03	Normal Nov	01/01 11/03	Normal Jan-Nov
Carlsbad	48.6	70	35	0.19	0.08	0.59	11.65	12.38
Hobbs	43.5	67	35	0.18	0.10	0.55	14.65	15.57
Roswell	46.9	68	39	0.09	0.05	0.55	13.00	12.38
Clayton	37.2	55	25	0.13	0.01	0.52	8.29	14.80
Clovis	43.9	66	34	0.28	0.19	0.73	12.50	16.97
Roy	39.7	63	21	T	0.00	0.50	15.93	15.29
Tucumcari	44.0	67	30	0.08	0.02	0.51	13.35	13.90
Chama	34.1	53	13	0.47	0.00	1.72	9.82	19.81
Johnson Ranch	40.2	58	25	0.14	0.00	0.69	7.11	10.85
Capulin	32.9	56	16	0.15	0.01	0.67	11.24	16.94
Las Vegas	38.7	56	25	0.04	0.01	0.67	9.78	16.49
Los Alamos	38.1	54	24	0.17	0.16	1.02	9.63	17.64
Raton	35.0	58	17	0.47	0.26	0.61	10.30	16.22
Santa Fe	41.8	58	25	0.09	0.00	0.63	8.49	13.21
Red River	35.1	48	19	0.19	0.00	1.18	16.94	19.33
Farmington	43.6	63	29	0.62	0.00	0.94	5.47	8.12
Gallup	41.4	59	25	0.03	0.00	0.95	9.54	11.91
Grants	42.6	61	24	0.04	0.00	0.58	8.12	10.14
Silver City	48.1	67	30	0.00	0.00	0.70	7.66	14.72
Quemado	41.6	64	19	0.00	0.00	0.45	12.03	13.04
Albuquerque	49.4	63	34	T	0.00	0.43	5.41	8.38
Carrizozo	46.9	68	24	0.00	0.00	0.76	10.45	12.07
Gran Quivera	45.1	61	26	0.51	0.00	0.91	10.21	14.92
Moriarty	43.3	63	24	0.02	0.02	0.40	5.91	12.17
Ruidoso	43.1	64	26	T	0.00	0.88	14.71	19.72
Socorro	49.4	67	28	0.00	0.00	0.47	8.73	8.95
Alamogordo	55.8	70	39	0.33	0.00	0.71	8.10	11.92
Animas	56.8	78	38	0.00	0.00	0.71	5.78	10.62
Deming	55.1	75	34	T	0.00	0.64	7.86	9.73
T or C	53.9	69	37	0.00	0.00	0.60	6.17	9.22
Las Cruces	56.0	77	37	0.04	0.00	0.53	5.95	8.72

(T) Trace (-) No Report (*) Correction

All reports based on preliminary data. Precipitation data corrected monthly from official observation forms.

AGRICULTURAL PRICES RECEIVED

Alfalfa hay prices in October averaged $144.00 per ton. This was $1.00 above the previous month's price and $15.00 higher than October 2001. The U.S. average for October 2002 was $101.00. All hay prices were $140.00 per ton, $44.50 higher than the the national average of $94.50. Cow prices dropped slightly from the previous month to $36.20 per cwt. but remained $2.50 higher than the U.S. average of $33.70. Steer and heifer prices increased by $1.90 to $78.90 per cwt., and were $11.10 above the U.S. price of $67.80. Calf prices increased in October to $92.00 per cwt. from the previous month's price of $91.40 per cwt. Quarterly milk cow replacement prices dropped to $1,550 per head from $1,810 per head one year ago but remained $130.00 above the U.S. average of $1,420. Milk prices remained steady at $11.30, $0.60 cents below the U.S. price of $11.90 and $4.20 below the price of $15.50 in October 2001.

Prices Received by Farmers: Selected Commodities, September 2002 and October 2001-02

Commodity	Unit	New Mexico			U.S.
		Oct 2001	Sep 2002[2/]	Oct 2002 [1/]	Oct [1/]
CROPS		Dollars			
Grain Sorghum	Cwt	--	--	--	4.22
Cotton, Upland	Lb	--	--	--	.365
Potatoes	Cwt	--	--	–	5.43
Hay, all baled	Ton	125.00	141.00	140.00	94.50
Alfalfa, baled	Ton	129.00	145.00	144.00	101.00
Peanuts	Lb	--	--	--	.182
Corn	Bu	--	--	--	2.36
Wheat, all	Bu	--	--	--	4.41
LIVESTOCK					
Sheep[3/]	Cwt	--	--	--	26.10
Lambs[3/]	Cwt	--	--	–	76.10
Cows	Cwt	41.90	37.10	36.20	33.70
Steers & Heifers	Cwt	84.10	77.00	78.90	67.80
Calves	Cwt	96.00	91.40	92.00	91.10
Milk Cow Replacement [4/]	Head	1,810.00	–	1,550.00	1,420.00
Milk	Cwt	15.50	11.30	11.30	11.90

[1/] Mid-month. [2/]Entire month. [3/]July - Entire Month [4/] Animals sold for dairy herd replacement only. Prices published Jan, Apr, Jul, and Oct.

LIVESTOCK OUTLOOK

USDA, ERS, October 2002

Smallest Corn Crop Since 1995/96 This year's corn crop was raised 121 million bushels from the September estimate to 8.97 billion bushels due to improved yields. The harvest will be down 6 percent from last year and the lowest since1995/96's 7.4 billion bushels. The increase in corn production estimates more than offset lower the ending stock estimates for 2001/02 and an increase in corn feeding use offsets the lower barley and oat production estimates. The projected 2002/03 price range was lowered 5 cents to $2.30 to $2.70 a bushel, up from $1.97 last year and $1.85 in 2000/01. Although up from the 5-year average of $1.85 a bushel, prices remain well below the record $3.24 in 1995/96 when sharply higher prices and reduced forage supplies due to drought set off the cattle herd liquidation.

Moisture Supplies Improve Small Grain Grazing Prospects While additional rainfall is needed in most areas to augment subsoil and groundwater supplies, surface moisture and grazing prospects continue to improve. Wheat grazing prospects are the most promising in several years, and will provide much needed support for stocker cattle prices and provide a buffer against the higher grain prices. As always, fall moisture conditions and temperatures will determine how good a grazing year is likely.

Pasture and range grazing prospects remain relatively poor in many areas even as moisture levels improve. The moisture will aid in improving prospects for grazing in 2003, but only marginal improvement is likely this fall. Pastures are in poor to very poor conditions in many areas of the west, northern plains, and mid Atlantic. Supplemental feeding has been necessary in many areas already, and increased supplemental feeding will be likely even if winter conditions are relatively mild. A harsher winter will require continued downward herd adjustments.

Hay Production Down, Quality a Concern Total hay production estimates in the October Crop Production report were down 4 percent, 6.3 million tons, from a year ago, with alfalfa production down 7 percent and other hay production down nearly 1 percent. However, other hay production estimates declined nearly 3 percent from the August report, reflecting the worsening drought in many areas. This is the smallest hay crop since 1996. Although the May 1, 2002, hay stocks were up 6.6 percent from a year earlier, this is an increase of only 1.4 million tons. Supplemental feeding has already been heavy in many areas and continues due to the drought. The December 1 hay stocks will be reported in the January 2003 Crop Production report, but will likely be pulled well below the 2001 estimate--a reflection of the heavier supplemental feeding anhnd smaller hay crop.

The farm price of other hay in September was $74.80 a ton, up $2.90 from last year and up $3.80 a ton from August, reflecting further supply tightening. Even though the largest year-to-year drop in production was for alfalfa hay, prices were actually down $6 a ton from a year earlier, but up $1 a ton from August. This price anomaly is likely a reflection of lower quality than reduced demand for the smaller supply.

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Beef Supplies Remain Burdensome Record beef production and slaughter weights are burdening the cattle market in the short term. However, looking on out, good beef movement and reduced on-feed and total cattle inventories remain positive for the industry. Cattle on feed inventories on September 1 in the 7-monthly reporting States were down 6 percent from a year earlier. Fed cattle marketings in August were down 3 percent from a year earlier. However, September steer and heifer slaughter was likely above a year earlier and third quarter steer and heifer slaughter was up nearly 3 percent. August feedlot placements rose 2 percent, thus together with lower marketings, the September on-feed inventory rose marginally during August. Front-end supplies remain large and together with continued record weights will hold up beef production over the next couple of quarters.

Beef Production and Carcass Weights Increase Continued large fed cattle marketings at record slaughter weights likely resulted in record beef production in the third quarter and pushed this year's record production above 27 billion pounds for the first time in history. Steer dressed slaughter weights in September were averaging over 20 pounds above a year earlier, while heifer weights were nearly 15 pounds heavier than last year's record. Also pushing up production is a sharp increase in dairy cow slaughter as the industry culls larger numbers of less-efficient cows. Third-quarter dairy cow slaughter rose nearly 11 percent over a year earlier, while first-quarter slaughter was down 11 percent and spring slaughter was unchanged from a year earlier. Beef cow slaughter also rose in the third quarter, but less than 1 percent. Pressures resulting from the summer drought, declining forage conditions, and higher feed costs are likely to force continued large cow slaughter until spring. A more severe winter would force slaughter even higher.

Given larger slaughter and heavier weights, beef production this fall and into first-half 2003 have been raised, with production likely 1 percent above a year earlier. Although first-half beef production is forecast below 2002, significant year-to-year production declines won't occur until second-half 2003, and then are partially the result of comparisons with this year's record levels. Slaughter weights are likely to remain heavy, particularly if a larger proportion of carcasses grade Choice and higher.

Retail Beef Prices Remain Relatively Strong, Live Market Split Fed cattle prices, while down from a year earlier, have strengthened, particularly for cattle that can be delivered under the futures contracts. Summer quarter prices averaged well below a year earlier due to the very large supplies of heavy cattle. As feedlot inventories become more current this fall prices are expected to move above year-earlier levels and average in the upper $60s per cwt. Prices are likely to move above $70 per cwt this winter and near the mid-$70s by late spring 2003 before averaging in the mid- to upper-$70s in the second half as supplies tighten. Reduced pork supplies in 2003 will also support higher beef prices.

2002
CENSUS OF AGRICULTURE

THE CENSUS OF AGRICULTURE IS COMING